

May 2010

# Highlights

Internal Audit Report to the  
Board of Supervisors

## Why We Did This Review

Every three years, Arizona courts are required to have an independent Minimum Accounting Standards (MAS) review.

The MAS review is an Agreed-Upon Procedures engagement in which an independent accountant performs standard audit procedures set forth by the Supreme Court of Arizona, Administrative Office of the Courts (AOC).

Minimum accounting standards were developed to standardize accounting practices and procedures, and to assist court personnel in bringing financial operations into compliance with statute and Generally Accepted Accounting Principles (GAAP).

Our review assists the AOC in evaluating each court's compliance with MAS. The AOC is responsible for following up on all audit exceptions.

We conducted this review as part of our FY 2010 Board of Supervisors approved audit plan. Our review was performed in accordance with standards established by the American Institute of Certified Public Accountants.



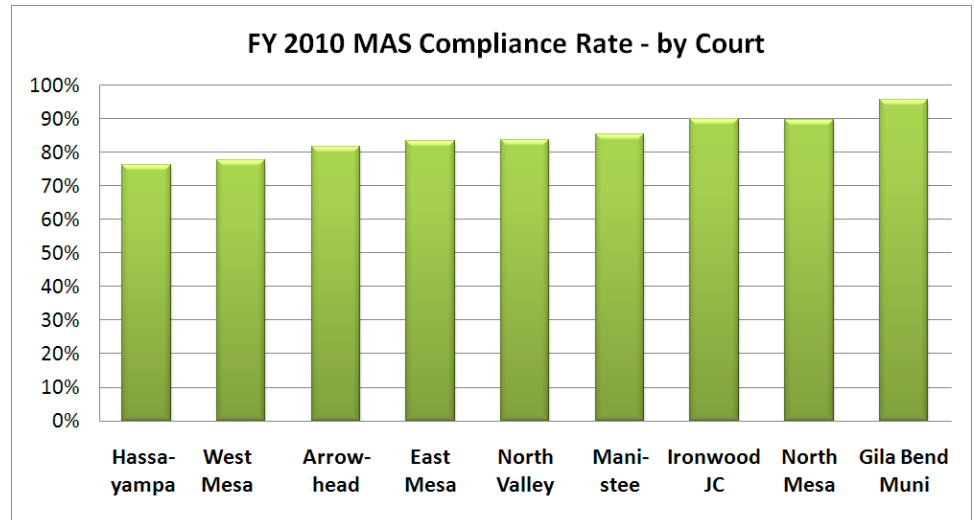
For more information, please contact  
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## Justice Courts Accounting Review

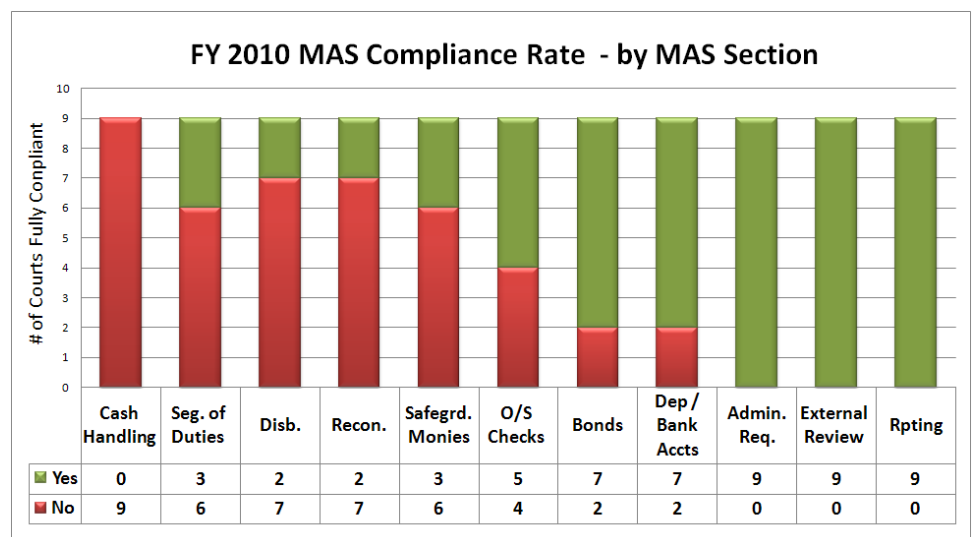
### Minimum Accounting Standards (MAS) Agreed-Upon Procedures Review

## What We Found

We reviewed eight Justice Courts and one Municipal Court. Four of the courts were located at the Northwest Regional Court Center and the others were at stand-alone locations. MAS compliance rates ranged from a low of 76% at Hassayampa to a high of 96% at Gila Bend Municipal, as shown below.



Below is a chart reflecting the 11 MAS areas reviewed, along with the number of courts not fully compliant in each area (depicted in red). As shown, most exceptions were related to cash handling, segregation of duties, disbursements, and reconciliations of financial records. Exceptions of this type increase the risk that errors and/or fraud could occur and go undetected.



We appreciate the excellent cooperation received from Justice Court management and staff while conducting this review.

**"Do the Right Things Right!"**

**Maricopa County Internal Audit Department**